III.—ANNOUNCEMENT BY THE HON. CHAIRMAN.

NOMINATION OF SRI P. P. UMMER KOYA TO CERTAIN COMMITTEES IN PLACE OF SRI T. PURUSHOTHAM RESIGNED.

MR. CHAIRMAN :—"I have to inform the House that Sri T. Purushotham has resigned his seat in the Business Advisory Committee and the Committee on Government Assurances and that in his place I have nominated Sri P. P. Ummer Koya, as a member of the Business Advisory Committee and the Committee on Government Assurances."

IV PRIVILEGE MOTION—(WITHDRAWN).

MR. CHAIRMAN :—"The House will remember that on 24th March 1955, I made a statement that I will in due course give my decision on the motion of privilege moved by Sri T. Purushotham.

"I have given very careful consideration to this Motion.

"I want, in the first place, to impress upon the House the importance of perfect equality between the two Houses and also the fact that in every respect the Houses are totally independent one of the other.

"Sri T. Purushotham's resolution refers to a statement made by the Hon. the Presiding Officer of the other House on 18th March 1955 in which he mentioned the number and hours of sittings of this House and that of the Assembly.

"Though this statement cannot be considered to be a breach of privilege, the inference that the Chairman has more power than he is entitled to can be drawn. In fact, a well-known Madras daily newspaper, in its edition of the 19th March 1955, stated in its report of the proceedings of the Legislative Assembly of the 18th March :

'The Chairman had, however, as much voice as the speaker'

So, Sri Purushotham cannot be said to be wrong in his interpretation of the statement of the Speaker but as I am very anxious to maintain an atmosphere of cordiality and mutual understanding between the two Houses and their presiding officers, I have decided not to take any further action beyond making this statement. In the circumstances, I request Sri Purushotham to withdraw his motion."

SRI T. PURUSHOTHAM :—"Sir, I bow to your ruling and withdraw the Motion. May I be permitted to add that my only object in moving the motion was that the dignity of this House and the Chair should not in any manner be detracted."

2-50 p.m. SRI MOHAMED RAZA KHAN :—"Mr. Chairman, Sir, the Chair can also make a similar statement here on the floor of this House as to the number of days and the number of hours we have sat. We are also anxious to sit for longer hours, but there are certain matters over which we have no right to discuss, particularly Demands for Grants. Such a statement will also help as far as the public are concerned."

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MR. CHAIRMAN :—" I do not think such a statement is necessary."

SRI T. PURUSHOTHAM :—" Sir, may I bring to your notice that a press communique was issued yesterday with regard to the programme of the Government for implementing the Second Five-Year Plan and it has appeared in one of the papers this morning? It is usual to place such press releases on the table of the House when the House is sitting. It would be a happy convention if such press communiques are placed on the Table of the House when the Houses of the Legislature are sitting. If not, the communique will appear in the Gazette and we will come to know of it."

THE HON. SRI M. BHAKTAVATSALAM :—" Yes, Sir. The Government will consider the suggestion and they will arrange to place it before the House."

MR. CHAIRMAN :—" Now, we shall proceed to the business before the House."

V.—GOVERNMENT BILLS.

(1) THE MADRAS GENERAL SALES TAX AND THE MADRAS TOBACCO (TAXATION OF SALES AND REGISTRATION) (AMENDMENT) BILL, 1955 (L.A. BILL NO. 9 OF 1955).

* THE HON. SRI M. A. MANICKAVELU :—" Sir, I move—

'*That the Madras General Sales Tax and the Madras Tobacco (Taxation of Sales and Registration) (Amendment) Bill, 1955 (L.A. Bill No. 9 of 1955), as passed by the Assembly, be taken into consideration.*'

This taxation on cigarettes and certain varieties of cigars and cheroots is not new. We have already passed an Act called the Tobacco (Taxation of Sales and Registration) Act in the year 1953. Hon. Members are aware of the circumstances under which that Act was passed. Previous to the passing of that Act, the Central Government were levying an excise duty and they were paying a contribution from that, which we were having. When that was in operation, we were prevented from taxing these articles. The Central Government said that we were at liberty to have our own taxation and stopped the contribution they were paying. That was why the Act of 1953 was passed. But under that Act certain categories of cigarettes, cigars and cheroots were not taxed. Cigarettes which were sold at less than three pies were not taxed, because that was considered to be the poor man's luxury or vice, whatever it may be. Now, it is proposed to tax that variety of cigarettes also, that is, cigarettes which are priced low. Hon. Members need not think that by taxing that variety of cigarettes, the price of cigarettes will go up. It will not go up. It will be sold only at the old rate, viz., at three pies, and therefore this tax will not fall on the consumer. It has been so arranged that the manufacturers of that variety of cigarettes will adjust it in their margin of profit and therefore, in effect there

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* Printed as Appendix V on pages 899–901 infra.